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TAGS: [ECON](#) [EAID](#) [PREL](#) [ASEC](#) [MU](#)
SUBJECT: OMAN TERMED "STABLE COUNTRY"

¶1. (U) A report published on January 12 by the UK-based Business Monitor International (BMI) magazine states that the Sultanate will remain a haven of stability in the region in 2010 due to low risks to business in the country. BMI expects that the Sultanate will maintain strong, stable relations with influential regional powers, helping to diffuse rising tensions in the region. It indicates that the business environment in the Sultanate is exemplary and is expected to remain so, as the government is aware of the economic challenges and seeks to attract further investments. The BMI report reaffirms that the Sultanate's legal system is transparent.

¶2. (U) The report predicts that the Sultanate's economy will sustain a steady economic recovery in 2010, building on increased oil production in 2009. The Sultanate's GDP will grow by 3.7 per cent in 2010, according to the magazine, which forecasts that oil prices will increase to an average \$83 in 2010, fuelled by the current recovery of the global economy which, the report says, will improve the balance of payments in the Sultanate.

¶3. (SBU) This business-focused evaluation matches other assessments of Oman's stability and security situation. The GoO places great emphasis on stability, as well as to being a good place to do business. USG development assistance to the Sultanate focuses on security assistance for a stable nation in an unstable region - and Oman makes good use of this assistance.
Schmierer